By: Crownover H.B. No. 2287

## A BILL TO BE ENTITLED

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- 2 relating to net metering for public schools.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
- 4 SECTION 1. Section 39.002, Utilities Code, is amended to
- 5 read as follows:
- 6 Sec. 39.002. APPLICABILITY. This chapter, other than
- 7 Sections 39.155, 39.157(e), 39.203, 39.903, 39.904, 39.9051,
- 8 39.9052, and 39.914 [39.914(e)], does not apply to a municipally
- 9 owned utility or an electric cooperative. Sections 39.157(e),
- 10 39.203, and 39.904, however, apply only to a municipally owned
- 11 utility or an electric cooperative that is offering customer
- 12 choice. If there is a conflict between the specific provisions of
- 13 this chapter and any other provisions of this title, except for
- 14 Chapters 40 and 41, the provisions of this chapter control.
- SECTION 2. Section 39.914, Utilities Code, is amended to
- 16 read as follows:
- 17 Sec. 39.914. NET METERING FOR [CREDIT FOR SURPLUS SOLAR
- 18 CENERATION BY] PUBLIC SCHOOLS. (a) In this section, "distributed
- 19 renewable generation" means electric generation provided by a
- 20 renewable energy technology, as defined by Section 39.904, that is
- 21 installed on a retail electric customer's side of the meter.
- (b) This section applies only to an independent school
- 23 district.
- 24 (c) An electric utility or retail electric provider shall

- 1 provide for net metering and contract with an independent school
- 2 district so that the school district receives credit at the full
- 3 retail rate for each kilowatt hour produced by distributed
- 4 renewable generation, up to the total amount of electricity
- 5 received from the utility or provider during an annualized billing
- 6 period. The contract must also provide that the school district
- 7 receive credit for any surplus electricity produced by distributed
- 8 renewable generation and that the district be compensated for those
- 9 credits as provided by this section [÷
- 10 [(1) surplus electricity produced by a school
- 11 building's solar electric generation panels is made available for
- 12 sale to the electric transmission grid and distribution system; and
- 13 [(2) the net value of that surplus electricity is
- 14 credited to the district].
- 15  $\underline{\text{(d)}}$  [\(\frac{\text{(b)}}{\text{)}}\)] For areas of this state in which customer choice
- 16 has not been introduced, the commission by rule shall require that
- 17 credits for surplus electricity [for electricity produced by a
- 18 school building's solar electric generation panels] reflect the
- 19 value of the electricity that is made available for sale to the
- 20 electric utility in accordance with federal regulations.
- 21 <u>(e)</u> [<del>(c)</del>] For independent school districts in areas in
- 22 which customer choice has been introduced, the district must sell
- 23 <u>credits for surplus electricity</u> [the school buildings' surplus
- 24 electricity produced] to the retail electric provider that serves
- 25 the school district's load at a value agreed to between the district
- 26 and the provider that serves the district's load. The agreed value
- 27 may be based on the clearing price of energy at the time of day that

- 1 the electricity is made available to the grid or the value may be in the form of a credit applied to the district's account that the 2 district may carry over to subsequent annualized periods until the 3 credit has been redeemed. The independent organization identified 4 5 in Section 39.151 shall develop procedures so that the amount of electricity purchased from a district under this section is 6 accounted for in settling the total load served by the provider that 7 8 serves the district's load. A district requesting net metering services for purposes of this section must have metering devices 9 10 capable of providing measurements consistent with the independent organization's settlement requirements. 11
- (f)  $[\frac{d}{d}]$  A transmission and distribution utility shall 12 make available to an independent school district for purposes of 13 14 this section metering required for services provided under this 15 section, including a single bidirectional meter capable of measuring the flow of electricity in both directions [separate 16 meters that measure the load and generator output or a single meter 17 capable of measuring separately in-flow and out-flow at the point 18 19 of common coupling meter point]. The district must pay the differential cost of the metering unless the meters are provided at 20 no additional cost. Except as provided by this section, Section 21 39.107 applies to metering under this section. 22
- (g) Notwithstanding any provision of this section, the commission by rule may provide for an alternative net metering structure, provided that a school district receives full retail value for excess electricity produced during months in which the district generates more electricity than the district consumes.

H.B. No. 2287

- [(e) A municipally owned utility or electric cooperative shall 1 consider and complete the determinations regarding net metering 2 service as provided by the federal Public Utility Regulatory Policies Act of 1978 (16 U.S.C. Section 2601 et seq., as amended by 4 the federal Energy Policy Act of 2005 (Pub. L. No. 109-58)) after 5 proceedings conducted in accordance with that law. A municipally 6 owned utility or electric cooperative shall report the 7 8 determinations made under this subsection to the State Energy 9 Conservation Office and include in that report information 10 regarding metering electricity generated by solar panels on public school building rooftops. 11 SECTION 3. The change in law made by this Act applies only 12 to a contract for the sale of distributed renewable generation 13 entered into or renewed on or after the effective date of this Act. 14 15 A contract for the sale of distributed renewable generation entered into or renewed before the effective date of this Act is governed by 16 17 the law as it existed immediately before the effective date of this
- 19 SECTION 4. This Act takes effect September 1, 2011.

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Act, and that law is continued in effect for that purpose.